

CULTURAL ENDOWMENT FUND

State Investment Board Balance Sheet As of 6/30/2008

	As of <u>6-30-08</u>	As of <u>6-30-07</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 116,671	\$ 125,167
INTERNATIONAL EQUITIES	25,632	27,860
DOMESTIC FIXED INCOME	104,429	99,246
REAL ESTATE	13,979	14,366
INVESTED CASH (NOTE 1)	<u>8,447</u>	<u>8,134</u>
 TOTAL INVESTMENTS	 269,158	 274,773
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	35	90
MISCELLANEOUS RECEIVABLE	<u>0</u>	<u>0</u>
 TOTAL RECEIVABLES	 35	 90
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	6,303	29,587
OPERATING CASH	<u>152</u>	<u>(66)</u>
 TOTAL ASSETS	 <u>\$ 275,648</u>	 <u>\$ 304,384</u>
LIABILITIES:		
SECURITIES LENDING COLLATERAL (NOTE 2)	6,303	29,587
ACCOUNTS PAYABLE	2	1
ACCRUED EXPENSES	3	3
INVESTMENT EXPENSE PAYABLE	<u>354</u>	<u>225</u>
 TOTAL LIABILITIES	 6,662	 29,816
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	274,568	218,552
CASH IN DURING YEAR (NOTE 3)	16,500	38,659
CASH OUT DURING YEAR (NOTE 4)	0	17,289
NET INCREASE (DECREASE)	<u>(22,082)</u>	<u>34,646</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>268,986</u>	 <u>274,568</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 275,648</u>	 <u>\$ 304,384</u>

CULTURAL ENDOWMENT FUND

State Investment Board Profit and Loss Statement For the Month Ended 6/30/2008

	Month Ended <u>6-30-08</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 834	\$ 9,073
SECURITIES LENDING INCOME	16	755
	<u>850</u>	<u>9,828</u>
 GAIN ON SALE OF INVESTMENTS	 3,147	 57,109
LOSS ON SALE OF INVESTMENTS	<u>5,504</u>	<u>57,959</u>
 NET GAINS (LOSSES) INVESTMENTS	 (2,357)	 (850)
 INVESTMENT EXPENSES	 247	 1,132
SECURITIES LENDING EXPENSES	7	673
 NET INVESTMENT INCOME	 (1,761)	 7,173
 NET APPREC (DEPREC) MARKET VALUE	 (11,780)	 (28,849)
MISCELLANEOUS INCOME/(EXPENSE)	<u>5</u>	<u>28</u>
 TOTAL INVESTMENT INCOME	 <u>(13,536)</u>	 <u>(21,648)</u>
 DEDUCTIONS:		
ADMINISTRATIVE EXPENSES	98	434
 NET INCREASE (DECREASE)	 <u>\$ (13,634)</u>	 <u>\$ (22,082)</u>

CULTURAL ENDOWMENT FUND
Notes To Financial Statements
June 30, 2008

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 4 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.